

**MINUTES
WOODSTOCK CITY COUNCIL
STRATEGIC PLANNING WORKSHOP**

May 12, 2014
Stage Left Café

A Special Meeting of the Woodstock City Council was called to order at 3:00PM by Mayor Brian Sager on Monday, May 12, 2014 at the Stage Left Café. Mayor Sager noted that the purpose of the meeting was the City Council Strategic Planning Workshop.

A roll call was taken.

COUNCIL MEMBERS PRESENT: Mark Saladin, RB Thompson, Maureen Larson, Julie Dillon, Mike Turner, Joe Starzynski, Mayor Brian Sager

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: City Manager Roscoe Stelford, Finance Director Paul Christensen, Director of Public Works Paul Ruscko, Community and Economic Development Director Cort Carlson, Library Director Nick Weber, Recreation Director Dave Zinnen, Chief of Police Robert Lowen, Human Resources Director Deb Schober, Opera House Managing Director John Scharres, Deputy Chief of Police John Lieb, and Executive Assistant/Chief Deputy Clerk Cindy Smiley

OTHERS PRESENT: None

Mayor Sager noted that items for discussion have been identified in broad categories and that other items may be added from the general discussion as time allows.

DISCUSSION:

1. Marketing/Branding

Stating that Michael Stanard of One Zero Charlie has met individually with all Council members, Mayor Sager invited him to make a presentation on this item.

Mr. Stanard provided background information on how he created the icon and package for Woodstock Celebrates, Inc. to use for their events and how it occurred to him that this could be used in a much broader sense to market the City. From that idea, he created a marketing presentation which would use the Woodstock Celebrates idea to mark City vehicles, head a new City website with three portals, and include a brochure component and signage along the Metra rail line. He developed a budget for the presentation which he presented to City Manager Stelford.

Mr. Stanard described his role in the campaign as that of a director, as in a movie director, and also as an actor, while the City would assume the role of “producer.” He also mentioned several local creative people and firms that he would like to have involved in the project.

In response to a request for more information on the cost of such a program, Mr. Stanard stated that he would prefer that the City earmark a certain amount of money and then he would develop a program around that sum. He further stated that in a year’s time, he felt he could do the website and the

brochure and that a mid-point cost for the project would be \$200,000, with the range being \$100,000 to \$300,000.

In response to a question from M. Turner as to what the objective of the campaign would be, Mr. Stanard stated that it is a wonderful thing that would not be manipulative but would be experiential. He stated that Woodstock is endearing and that he would like the campaign to last for 10 years.

Mayor Sager stated that the first question to consider should be “Does Council believe that the City Council should move into the marketing aspect of the community?”

Mayor Sager noted that this would be a change from the past when it was felt that it was not the City government’s place to market other than to provide a good community within the frame of the City’s responsibilities. He asked Council if this is something they believe should be done by a municipal government.

M. Saladin stated that while it would be difficult to quantify the results of such a program, it still may be worthwhile.

M. Turner stated that if Council seeks the perfect answer then nothing will get down. He further stated that he does not know whether the program will work or not, but that it really moves him. He stated that he doesn’t think this belongs inside government but that the City does have a role in it, including some funding.

J. Starzynski stated he couldn’t say to move forward without some expectation of results.

Mayor Sager noted that the Council must be financially responsible but that the question remains does the Council feel that in today’s economic climate, a marketing effort is warranted by the municipality.

J. Dillon stated that this could be considered a facet of Economic Development. She also mentioned that this could take advantage of the exposure Woodstock has received on Channel 7.

M. Saladin noted that the culture is changing in terms of where governments get involved, with Mayor Sager noting that state governments have Departments of Tourism.

M. Larson stated that she has thought long and hard about this program and wants to be careful with the City’s funds. She feels that the Council’s role should be as visionaries for the community which could include controlling the message that is getting out to the community, rather than other things controlling the message. She also stated that she feels that Woodstock is on the verge of becoming a high-end community and should take advantage of getting the word out.

B. Sager agreed that the City should control the message and that is the next step in terms of Economic Development.

RB Thompson stated that Woodstock Celebrates, Inc. was not created to market or brand Woodstock but to promote it. He sees Woodstock Celebrates, Inc. as a Tier I recipient of the Hotel/Motel Tax because they are filling beds and restaurants. He further stated that Woodstock Celebrates, Inc. has a problem with the City taking over the name and the logo.

In response to further questioning from Mayor Sager, it was the general consensus that Council needs to consider the expenditure of municipal tax dollars in a well-thought out marketing effort.

Mayor Sager then stated that there is much that could be done having nothing whatsoever to do with the proposal presented today. The Woodstock Celebrates campaign, however, is very positive and it is an enamoring slogan. He noted that Woodstock Celebrates has been trademarked by Woodstock Celebrates, Inc., however, and is therefore not available to the City. He also noted that Mr. Stanard has given that slogan to Woodstock Celebrates, Inc. and they have control over it, so it would seem that the City of Woodstock has no authority over the Woodstock Celebrates logo.

Mayor Sager noted that this has been discussed with the Woodstock Celebrates organization but that nothing has been settled.

RB Thompson noted that it is his opinion that the logo and name are taken. He suggested marketing Woodstock with a different name and slogan.

M. Stanard stated that he is confident that the “bump” between Woodstock Celebrates and the City can be resolved fairly simply.

In response to a question from Mayor Sager as to how this might be accomplished, Mr. Stanard stated that this is similar to a family dispute where everyone wants the same thing, which is to benefit the City. It is also Mr. Stanard’s opinion that this was a gift from him and has not been trademarked by Woodstock Celebrates, Inc. He noted that Tier I funding would be a way to provide for Woodstock Celebrates, Inc. and could solve the “bump.”

M. Turner stated that he is not interested in starting over and feels that how ownership can be dealt with should be put on the table. He further noted that the City should have long-term use of the logo and the slogan and should not pay a lot for that usage. He would like to see this “bump” solved.

Mayor Sager noted that, unfortunately, there has been a lot of “back room” discussion which has led the City and Woodstock Celebrates, Inc. to this point.

In response to a question from M. Larson as to the future of Woodstock Celebrates, Inc. without compensation from the City in some manner, RB Thompson stated that he feels that the organization will definitely stay in existence. He gave several examples of events, people, etc. which could be “celebrated” in future years.

In response to a question from M. Larson as to whether Woodstock Celebrates, Inc. feels they are eligible for Tier I funding and also is asking for a licensing fee, RB Thompson stated that the group is not in the market of selling the name and slogan. He does not see how the City could take the group’s place.

By way of explanation, B. Sager stated that everyone became enamored with the concept and moved that forward into possible marketing and promoting of the City. He further stated that it was felt that this could be great for the City of Woodstock and for Woodstock Celebrates, Inc. with WCI celebrating, music, events, and such and the City marketing Woodstock. The City reached out to members of the Board to find out if there would be a problem with this concept and, subsequently, at a Board meeting there was a reaction that the City was trying to usurp their position and take over their

types of events. Then, the City received a communication from WCI stating that the Board is not interested and wished to put everything on hold until their May events are complete. They requested and the City agreed to retract the use of Woodstock Celebrates as part of the Summer in the Park event. Unfortunately, there was not enough time to remove this copy from the City Scene.

Mayor Sager stated that in addition, he and R. Stelford met with Gunnar Gitlin, President of WCI, who indicated that the group would like to hire someone who could take over the work that retiring members have done and wished that to be a paid position. It was the groups feeling that perhaps fees paid by the City could fund this salary. Mayor Sager further stated that they indicated to Mr. Gitlin that the City is not in a position to enter into a licensing fee agreement or to pay an employee of WCI.

Discussion followed of the Hotel/Motel Tax money with the concern being expressed that there is not enough money in the HMT fund to support another Tier I organization. M. Turner stated that it might be too early in their existence to identify them as a Tier I organization.

In response to suggestions for a different direction from RB Thompson, M. Turner stated he is not interested in exploring other ideas. It is his feeling that the two groups should be able to hash out everything. He hopes the next steps can be taken to come up with a structure to make this work.

Mayor Sager stated that he feels the project has tremendous potential and hopes things can be worked out with Woodstock Celebrates, Inc. He says the Council needs to determine 1) whether they really wish to pursue Woodstock Celebrates, knowing that this would mean we must work with Woodstock Celebrates, Inc.; 2) is financially compensating Woodstock Celebrates, Inc. or financially supporting them part of this philosophy, and 3) it is his opinion that if the City is going to commit taxpayers' dollars to this project, it must have ownership and control over the project.

M. Stanard stated that in his view, the City would be the client but that he does not want other people telling him what the aesthetics should be. He feels that overall, the City would control the project but that the aesthetics would be left to his judgment.

Noting that there are many facets of this program and that the City cannot afford to do them all at once, Mayor Sager stated it was his feeling that the web site component presents a huge component for the City. He is not sure that the brochure is where the City should spend its dollars.

M. Turner advocated making this a public/private partnership, stating that it would be worth \$100,000 to \$150,000 of the City's money. He sees Woodstock's businesses and industries as other partners/funders of the program.

Mayor Sager again asked whether Council wishes to pursue Woodstock Celebrates and where the funds will come from.

J. Starzynski stated that Council should continue to pursue the idea of Woodstock Celebrates.

RB Thompson stated that if the question is "do we want to continue discussions with Woodstock Celebrates, Inc." then he agrees. He would support the concept if both organizations can agree.

J. Dillon, M. Turner, M. Saladin and M. Larson agreed.

A discussion arose as to the funding level that Council would feel comfortable with during this fiscal year. In response to questions and comments from the Council, Mayor Sager stated that this is a workshop session and that nothing is being approved. Staff will come back to Council at a later date with formal approval should the project come to that. Following further discussion, it was the consensus of the Council that \$80,000 could probably be earmarked this fiscal year for the project. Mayor Sager noted that the proposal would have to be refined, with J. Dillon indicating that she wants to see what the City is going to have to give up for this dollar amount.

Mayor Sager indicated that he would work with R. Stelford and staff to work with M. Stanard within the framework indicated and that a public/private partnership would be part of this framework. He further indicated that discussion would resume with Woodstock Celebrates, Inc. once their event is completed.

Mayor Sager asked that item #2 Targeted Development be deferred for the time being to move onto item #3 Infrastructure.

3. Infrastructure

A. Rt. 14 & 47 Improvements

Mayor Sager updated Council on the progress concerning improvements to Rts. 14 and 47. He noted that there have been good responses as a result of working with our lobbyist.

He further noted that while the Rt. 14 work has not yet been funded, there is utility work going on which is a positive sign.

Mayor Sager then noted that the Rt. 47 improvements are dependent upon a capital bill that is currently in negotiations in Springfield. He stated that this may be put off until after the election. He further stated that this project is being discussed by multiple parties at multiple levels and that the City needs to keep pressing forward.

Mayor Sager then told Council that if anyone wishes to go to Springfield to forward these projects, to let him know as there is a tremendous amount of benefit to keeping them at the forefront.

M. Larson stated that, having gone to Springfield, she cannot say enough good things about the City's lobbyist.

M. Saladin indicated that he would help with lobbying.

In response to a question from J. Dillon concerning the fiber project, R. Stelford stated that once Rt. 14 moves forward they will be in a position to drop fiber. He further noted that work is being done on the intergovernmental agreements.

B. Roundabouts

Mayor Sager noted that there are five roundabouts being suggested as part of the Rt. 47 improvements: 1) Lake and Rt. 47; McConnell and Rt. 47; 3) Irving/Judd and Rt. 47; Ware Road and Rt. 47; and Charles Road and Rt. 47. He explained that the purpose of the roundabouts is to keep traffic flowing and that if a roundabout is put in at Lake and Rt. 47, there must be one at McConnell and Rt. 47. He further noted that if there is no roundabout at Ware and Rt. 47, there will only be a stop sign, with no light as this intersection as it would not meet the warrants for a light.

P Ruscko stated that it has been found that roundabouts are safer with less serious accidents than traditional intersections.

Discussion followed of traffic flow, pedestrian traffic, the effect on businesses, and truck traffic.

In response to a question from Mayor Sager, Council was conceptually supportive of using roundabouts on Rt. 47 but wished to have more information.

C. Streets

Mayor Sager stated that the question is about how we are going to get in front of street improvements and whether Council wants staff to begin to look at a bonding program or another way to accomplish major street improvements so that when \$1M is budgeted for streets it means something because they are already in good shape.

In response to a question from M. Turner, R. Stelford stated that \$2M will just maintain the streets the way they are now. He stated that the City must think outside the box and that he is encouraging Public Works to take a look at new technology. He gave an example of five or six municipalities going in on a capital investment of equipment to complete resurfacing in-house.

Discussion followed of various methods of accomplishing greater street improvements including a bonding and an increase in sales tax once Woodstock achieves home rule. Various Council members expressed the wish to investigate concrete, including its cost and longevity vs. asphalt.

Following further discussion, it was the consensus of Council that staff should investigate the possibility of making a major capital investment in the street programs and bring ideas back to the Council.

D. Water Meters

Mayor Sager stated that the question for this topic is “does Council wish to make the same type of investment for the conversion of water meters?” Following a discussion of the costs involved in both outsourcing this project and insourcing it, it was the consensus of the City Council to investigate the possibility of insourcing and making a major capital improvement in the replacement of water meters.

E. Public Works Facility

R. Stelford reminded the Council of the City’s plans to build a new Public Works Facility, which were curtailed due to the economy. As a result, staff has been reluctant to put a significant investment in the current facility because it is not known whether the Department will move or not. He further noted that physically, the current facility is in the best possible place as it is centrally located to all areas of the City, making the completion of snowplowing and such other duties more efficient. Economically, however, he noted that it is not in the best possible location.

Discussion followed of the importance of the location of this department, various possible locations and the pros and cons of each.

While no consensus was reached as to the need to move the facility, it was the consensus that Council would like Staff to do some preliminary investigation and bring this issue back before Council for discussion. Mayor Sager noted that this is not a top priority item and does not need to be completed

even within the next year. It was the consensus, however, that when the time is right, the Public Works facility is the next major facility to be considered.

Mayor Sager asked that item #4 Budget Format be deferred for the time being in favor of moving on to item #5 Employee Compensation Model.

5. Employee Compensation Model

Mayor Sager noted that this was a general conversation of three areas so that Council may request information from staff to be discussed in more depth at a future date.

A. Sick Leave Conversation

Mayor Sager stated that this benefit has changed throughout the years and has varied with the FOP contract.

R. Stelford discussed the negotiations with the FOP and how this impacted sick leave conversion. He stated that the benefit was reduced as a concession during the economic downturn and was given back as part of a sunset clause. The City took a strong stance in trying to reduce this back to the 25% but the union would not budge. When other communities were looked at, it was found that 50% was the norm and that it was likely that the City would not prevail if the issue was taken to arbitration. Mr. Stelford noted that the City did get a lot of “wins” during these negotiations.

R. Stelford further noted that this benefit incentivizes front-line employees to not use sick time. For many of these employees, it would be more costly should they miss work as there would be an overtime component involved should the City have to cover for their absence. He further noted that this is one of the few benefits that actually awards top performers and that an employee is eligible for sick leave conversion after working approximately 8 years with a sick day. Mr. Stelford also described how sick leave and sick leave conversion affects an employee’s pension.

Mayor Sager noted that a compensation package must be looked at in its totality and ask how does it reward employees who are serving the residents.

M. Turner stated that he does not wish to hire individuals who are interested in sick leave and would rather reward performance.

B. Health Insurance & Life Insurance

Mayor Sager stated that the Council had agreed that it would be appropriate to move to a 25% employee contribution level for health insurance and the Administration has been working toward that. He further noted that this must be done gradually because of the various bargaining units and the desire to not put the non-organized employees too far out of line with the bargaining units.

R. Stelford noted that the City has made great progress with the FOP. He noted that progress has not been as forthcoming with Local 150, who cannot arbitrate but can strike.

M. Turner noted that not all employees are the same and that the City has senior staff and Police personnel who put their lives on the line. He expressed the opinion that he is not sure that all employees should be treated equally.

Mayor Sager stated that employees have different roles and responsibilities and it is his opinion that the City should come to some degree of equability. He stated that pay may reflect the risks and responsibilities and the level of pay would take into account the level of risk. But, he noted, he hopes that within a broad set of parameters employees would have a certain degree of equability.

R. Stelford noted that Staff is very supporting of advancing the employees to the 25% level and noted that the City has made great strides in working with the plan design to reduce costs significantly.

Discussion followed of some of the providers available and of the benefits, including deductibles, as compared with other surrounding municipalities. It was M. Turner's opinion that the City's deductibles are way under other municipalities. He also noted that if we must pay more for benefits, that is less money the City has to accomplish other projects. He stated that he must be able to tell residents that the City is attempting to control costs and that health care costs must be tightened up.

Mayor Sager stated that he doesn't disagree that the City should take a look at deductibles but that he wants to make sure that we are looking at the totality of the package. He does not wish to lower the employees' salaries.

D. Schober noted that the City made a huge step in moving away from Allied Benefits which has resulted in very significant savings and feels that the deductibles and other costs to the employees should be raised incrementally.

M. Turner noted that the City is behind what is going on in the private sector and that the taxpayers he represents want the City to move forward more quickly. He further stated that this is a budget item that must be looked at if the Council is to be good stewards of the taxpayers' money.

Mayor Sager noted that, realistically, things are different in the private sector than in the public sector and that the only thing that the City provides is service to the people with every single thing we do requiring the employee to provide services which are broad and expansive. This is a different set of circumstances than you have in the private sector. For this reason, Mayor Sager stated that it is his feeling that the City will never be the same as the private sector. He again reiterated, however, that he does not disagree with the need to look at the totality of the compensation package. He further stated that he does not disagree with the 25% level of employee participation or a raise in the deductible but that it should be done gradually and progressively. He then stated that he would not support reducing the employees' total compensation package and that it is his feeling that the package should never go backward.

M. Turner indicated that he would like to pay the employees more and to see a bonus system implemented. Mayor Sager indicated that he is doubtful that the public would accept a bonus system. He stated that the Council should inform and educate the public concerning the compensation package. M. Turner indicated that the feedback he receives is that the package is not what the employees should be getting.

Mayor Sager again stated that the City needs to move forward with the efforts to advance the premium contribution and advance the deductible in the totality of the compensation package.

M. Saladin noted that this subject is very nuanced and that he is pleased to see that the Administration has already significantly cut benefit costs. He further stated that he is confident that R. Stelford is going to continue to look for ways to further cut these costs.

J. Dillon expressed support of slowly trying to bring costs down and increase some of the costs borne by the employees.

It was the consensus of Council that the amount of money allotted for Sick Leave Conversion is not significant enough to move forward with abolishing it.

It was the consensus of Council to continue with the plan to increase employee contributions to 20-25% depending upon the deductible with the understanding that a plan be in place to move to that point.

C. Compensation Study

Discussion began concerning the cost of a compensation study with R. Stelford describing how this could be outsourced or done in-house. Discussion also followed of whether the study would include the private sector or only within the public sector. M. Turner indicated that he is a firm believer in pay for performance and would prefer to see the employees paid at what they are currently with the possibility of a bonus for exceptional performance.

Mayor Sager stated that in his opinion it is important to conduct a compensation study on a routine basis every 5-8 years. He also noted that with the economic downturn, staff was asked to work outside their job descriptions and to move into new directions which should be reviewed. He is not, in favor of spending a large sum of money with an outside firm on this and feels it could be accomplished in-house. He also stated that Council should know the amount that will be expended before committing resources.

M. Turner stated that the City has managed its workforce exceptionally well, with no lay-offs during the economic downturn, which should be recognized by the employees.

It was the consensus of Council that an outside compensation study not be completed at this time.

4. Budget Format

Discussion followed of the budget format examples. Mayor Sager noted that the Council wishes to continue to support a format that will adhere to the GFOA standards, earning Woodstock the annual Budget Award. He further noted that, while completing all of the GFOA requirements, perhaps the Budget could include an executive summery. He stated that perhaps all of the narrative is not needed and that a document could be crafted that highlights the primary changes and highlights three or four areas in each department.

J. Dillon indicated that she likes the current budget but would line a one-page, by-line of the current proposed variance and why it is needed for each line item. Mayor Sager indicated he would be supportive of a variance page with an Executive Summery. Support was also expressed of including the line item descriptions but reducing the narrative.

Mayor Sager indicated that Council wanted staff to understand that they did not have to keep the same format that was used by the previous City Manager.

R. Stelford indicated that perhaps staff would develop sample budgets for the Finance Department and the Office of the City Manager and bring those back to Council for their opinions and review before going to that format for all departments.

2. Targeted Development

It was the consensus of Council that a discussion of Targeted Development could be worked into the regular Council meetings.

In response to a question from Mayor Sager, it was the consensus of Council that this type of workshop format works well.

ADJOURN

Motion by J. Dillon, second by M. Saladin to adjourn this special City Council workshop to the next regular City Council meeting on Tuesday, May 20, 2014, at 7:00PM in the Council Chambers at Woodstock City Hall. . Ayes: Dillon, Larson, Thompson, Turner, Saladin, Starzynski, and Mayor Sager. Nays: None. Absentees: None. Abstentions: None. Motion carried.

Meeting adjourned at 6:37PM.

Respectfully submitted,

Cindy Smiley
Chief Deputy Clerk